

RD AN No. 3595 (1900-B)  
December 11, 2000

TO: State Directors  
Rural Development

ATTN: Rural Development Managers

FROM: James C. Kearney  
Administrator  
Rural Housing Service

SUBJECT: Appeals for Community Programs

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) is being issued to provide State and area office staffs with information on appeals for Community Facilities (CF) and Recreation Association (RA) loans.

COMPARISON WITH PREVIOUS AN:

This AN updates AN No. 3369 which was issued October 22, 1997 and expired October 31, 1998.

IMPLEMENTATION RESPONSIBILITIES:

The regulation governing appeals for CF and RA loans is 7 CFR part 11. A copy of 7 CFR part 11, can be found in Appendix 4 of the Direct Single Family Housing Loans and Grants Field Office Handbook (HB-1-3550). This regulation provides the procedures that must be followed by the entity appealing an Agency decision and by Agency representatives.

Form RD 1900-1 should no longer be used to inform an entity of its right to appeal an adverse decision. The field offices should use Attachment 1-B of HB-1-3550. Attachment 1-C of HB-1-3550 should be used when informing an entity of an adverse decision when appeal rights are not extended.

EXPIRATION DATE:  
December 31, 2001

FILING INSTRUCTIONS:  
Preceding RD Instruction 1900-B

Attachment 1-B of HB-1-3550 indicates that mediation is an option that should be considered by entities for dispute resolution. Field offices should be aware that the Agency should not pay more than one-half the cost of mediation or any other form of alternative dispute resolution (ADR). State Offices can choose not to pay any of the costs associated with mediation or ADR. The funds to pay for mediation or ADR come from the State's salary and expenses account.

This AN reiterates the importance of meeting the regulatory requirements of the appeals process. If you have questions regarding this AN, please contact the Community Programs Division, (202) 720-1490.